

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Market Test of Experimental Product -
USPS Connect Local Mail

Docket No. MT2022-1

**MOTION OF PACKAGE SHIPPERS ASSOCIATION
FOR ISSUANCE OF INFORMATION REQUEST**
(December 6, 2021)

Pursuant to 39 CFR §§ 3010.160(a) and 3010.170(e), the Package Shippers Association (PSA) respectfully requests the issuance of an Information Request to obtain additional clarifying information from the Postal Service concerning its request to initiate a market test of an experimental product called USPS Connect Local Mail.¹ The proposed questions seek information that will allow participants and the Commission to better evaluate whether the proposed experimental product meets the applicable legal requirements, including 39 U.S.C. §§ 404a and 3641.

The Postal Service describes USPS Connect Local Mail as a “document-based counterpart to the package-focused USPS Connect Local” product. Notice at 2. The Postal Service states that the experimental product USPS Connect Local Mail “would be a First-Class Mail product.” *Id.* The Postal Service further states that “USPS Connect Local Mail is properly categorized as market-dominant given the Postal Service’s monopoly over letter delivery.” *Id.*, at 4.

The market test is designed to identify whether there is sufficient market interest for this type of same day, next day local document delivery offering. *See id.*, at 5. The data collection plan proposed by the Postal Service will focus on volume, revenue and the number of customers using USPS Connect Local Mail. *See id.*

PSA commends the Postal Service for exploring this new product offering. If approved, USPS Connect Local Mail may provide an opportunity to leverage the Postal Service’s network capabilities to enhance same day and next day local document delivery services. PSA notes, however, that the public record before the Commission is ambiguous

¹ *See* United States Postal Service Notice of Market Test of Experimental Product - USPS Connect Local Mail, Nov. 10, 2021 (Notice).

with respect to qualifying payment channels. The Postal Service's Notice states "[c]ustomers will have the option to pay for USPS Connect Local Mail using Click-N-Ship or through a Postal Service application programming interface ("API")." *Id.*, at 3. The Postal Service's response to Question 3 of Commission Information Request No. 1 states that "[d]uring the market test period, USPS Connect Local Mail is planned to only be available to mailers who have signed up for Click-N-Ship or have some other API approved account that allows for the creation of labels and electronic payment for the mail pieces. The service will be available to individuals who have access to Click-N-Ship or other API accounts. There are currently no planned changes for these restrictions."²

Accordingly, PSA suggests the attached questions will enable parties to understand if the intention is to limit payment and evidencing options and, if so, to assess how limiting available payment channels furthers the stated goals of the market test both (1) in the experimental test period, and (2) later if the Postal Service decides to request that this mail product be made permanent. Further, given the Postal Service's role in regulating postage evidencing for market-dominant products, whether limiting payment options to only those directly offered by the Postal Service creates an unfair competitive advantage for the Postal Service.

Respectfully submitted,

/s/

James Pierce Myers
Attorney at Law
General Counsel to the
Package Shippers Association
703-627-5112
jpm@piercemyers.com

² See Postal Service Response to Commission Information Request No. 1, Nov. 30, 2021, at 7.

PROPOSED QUESTIONS

1. Please confirm that other commercially available postage evidencing options approved by the Postal Service, including postage meters, PC Postage, Online Postage, ePostage, and other application programming interfaces, qualify as “other API approved account” or “other API accounts” for purposes of this market test. If not confirmed, please explain fully.
2. Please confirm that other commercially available postage evidencing options approved by the Postal Service, including postage meters, PC Postage, Online Postage, ePostage, and other application programming interfaces, will be able to connect with “other API approved account” or “other API accounts” to enable end customers to print and pay for postage for USPS Connect Local Mail. If not confirmed, please explain fully.
3. If questions 1 or 2 are not confirmed, please explain the rationale for limiting the payment options during the experimental market test period to “Click-N-Ship or other API accounts” as compared to other available postage evidencing options approved by the Postal Service, including postage meters, PC Postage, Online Postage, ePostage, and other application programming interfaces.
4. If questions 1 or 2 are not confirmed, please explain the rationale for the statement in response to Commission Information Request No. 1, Question 3, that the Postal Service does not intend to broaden the available payment options if USPS Connect Local Mail becomes a permanent product?
5. If questions 1 or 2 are not confirmed, please explain how limiting payment channels will advance the stated goals of assessing demand for a same day, next day local document delivery product when many of the target customers for USPS Connect Local Mail likely utilize commercially available and USPS

approved payment evidencing options for mailing all other First-Class Mail products today.

6. Assuming the Postal Service intends to limit payment options to those it offers directly, as compared to other available payment options that it regulates, please explain how such a limitation does not establish a rule or regulation that creates an unfair competitive advantage for the Postal Service?